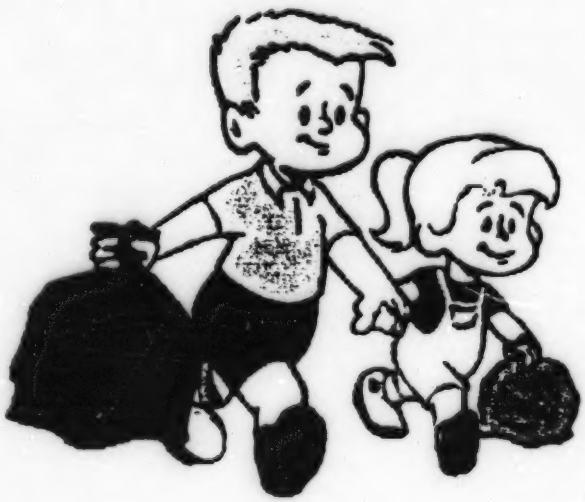
KINGS COUNTY REGION

SOLID WASTE COMMISSION

ANNUAL REPORT 2000



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INTRODUCTION

The mission of the Kings County Region Solid Waste Commission is to provide for the efficient, economical and environmentally friendly disposal of all solid waste, accepting only waste prohibited by the terms and conditions of the Commission's Waste Management Permit, to promote "Reduce, Re-Use and Recycle" as a means of effective waste management, and to educate the general public in the Kings County Region in this regard.

Much has happened in the area of waste management in Southern New Brunswick over the past several years. Kings County was divided in two, with the Western portion assigned to the Fundy Region and the Eastern part designated as the "Kings County Region."

The Kings County Region Solid Waste Commission was formed in June 1994. It was preceded by a Provisional Committee, formed in the early 1980's to plan and recommend a solid waste management strategy for the Municipalities of Sussex, Sussex Corner and Norton as well as the unincorporated areas which include the Parishes of Cardwell, Sussex, Upham and Waterford. This Kings County Region was one of twelve areas designated by the Government of New Brunswick as a Waste Management Region.

The Provisional Committee went through several years of studying the various environmental effects of incineration versus sanitary landfill, and having chosen the landfill option, trying to locate a suitable site. In 1992 / 93 their final recommendation was to form a Solid Waste Commission to establish a state of the art Transfer Station to collect and transfer our solid waste to the Berry Mills Sanitary Landfill site.

The Commission, having decided to look to the private sector, issued a "Call for Proposals" in October 1994 to design, finance, construct and operate a solid waste transfer station for a fifteen or twenty year period. Several proposals were received and studied by the Commission before narrowing the list to three and ranking them in order of preference. Negotiations followed and eventually chosen was a local firm, Sussex Waste Management Ltd., owned and operated by Ralph Cunningham of Sussex Corner.

The Government of New Brunswick forgave the $1.3 million spent over the many years trying to solve the present and future problems of waste management in our region.

The Federal Government gave an Infrastructure Grant to the Commission in the amount of $457,000 to cover approximately one third of the capital costs of the construction of the transfer station which made it possible to negotiate an equitable long term deal for the people of our region.

In January 1995, a Letter of Intent was agreed to and signed with our proponent Sussex Waste Management Ltd., who immediately began to put things together to design and build the Transfer Station. The Commission also completed the purchase of the land in the Sussex Industrial Park from the Town of Sussex.

INTRODUCTION

April 1995 saw the Commission finalize and sign a twenty year agreement with the Westmorland-Albert Solid Waste Corporation for the continued transfer of solid waste to their processing plant which is operated by Tiru (NB) Inc. This agreement also enabled our Region to participate, with the help of Tiru, in Household Hazardous Waste Days. It was timed to coincide with "Earth Day '95" and is now an annual event.

The Transfer Station opened on May 1st, 1995 just ten months after the Commission was formed. This was also the beginning of residential curb service to the Municipalities and the unincorporated areas.

The boundaries of the Commission were extended in July to include the Parishes of Brunswick, Johnston and Wickham in our neighboring county of Queens.

July 26, 1995 marked our "Official Opening" with members of all levels of government, invited guests and many members of the public gathered on a hot sunny day to hear short speeches, tour the facilities and see a demonstration of the "Maxigrinder".

September, 1995 brought together the partners of a Municipal Agreement without which, the planned solid waste strategy would not work. The Agreement was signed between the Commission and the Town of Sussex, villages of Sussex Corner and Norton and the Minister of Municipalities, Culture and Housing.

During the latter half of the year, the Commission instituted action through our financial consultant, to make application to Revenue Canada to have the Commission declared "tax exempt" for GST purposes. This was accomplished late in the year and Sussex Waste Management Ltd., as the Commission's agent was instructed to no longer charge the GST on incoming solid waste. The GST ruling resulted in $6,500 in rebates for 1996 and are being used to reduce funding requirements from the Municipalities and the Province.

The negotiation of short-term waste transfer contracts with Kennebacasis Valley and the Department of Transportation during 1996 generated $64,337. This money was specifically earmarked for distribution to the municipalities and the Minister of Municipalities, Culture and Housing to help offset their contribution to the operating cost of the transfer station made via the Base Amount charges each year.

Total savings passed on to the municipalities of the Kings County Region and the Minister of Municipalities, Culture and Housing as a result of the ruling and negotiations of 1996 and 1997 will total in excess of $127,000.

Westmorland-Albert Solid Waste Corporation had to rescind a $2 per tonne reduction granted in 1996, because Tiru was not able to increase their recyclable revenues as they believed they would.

In April 30, 1997 we were proud to have signed the final contract between the Commission and Sussex Waste Management Ltd., after operating with a Letter of Intent for two years.

INTRODUCTION

The partnership between Tiru (NB) and the Westmorland-Albert Solid Waste Corporation deteriorated because Tiru could not live up to its contractual obligations in regards to the reduction of the amount of waste going to the landfill.

The end of 1997 saw a move to form a provincial association of solid waste commissions, to provide a forum for solving similar problems that commissions have, in both solid waste disposal and dealing with the government.

In 1998, the Parish of Waterborough came on line with us, making our total 3 municipalities and 14 parishes. Monies from the Environmental Trust Fund were received to create a yearly calendar that was given away at a mall display and allowed us to publish 4 quarterly newsletters for our region.

The past year has been another progressive year for the Commission. The introduction of the Wet/Dry system was an enormous undertaking however, it is progressing well. Many projects are currently being undertaken and 2001 promises to be another positive year.

COMMISSION MEMBERS - 2000

Chairperson	-	Wendy Alcorn - Village of Norton
Vice Chairperson	-	Brian Roulston - Local Service District
Treasurer	-	Tim Wilson - Town of Sussex
Secretary	-	Jim McCrea - Local Service District
Member	-	Garth Long - Village of Sussex Corner
Member	-	Eileen Stapleford - Local Service District
Member	-	Morris Chown - Local Service District

PAST COMMISSIONERS

Roy Pope, Sr.
Susan Tyler
Sterling Edling
John Booth
Lev Crowe
Jim Olive
Jack Lynch

ANNUAL REPORT OF THE CHAIR - 2000

The Kings County Region Solid Waste Commission has had another successful year in their efforts to supply citizens with a system to dispose of their waste in an environmentally friendly way. A lot of time and energy was spent on educating the public for the new system of Wet/Dry in which we hoped to implement into our system. It was decided in July 2000 to implement the Wet/Dry system on January 1, 2001.

We published two Newsletters - one in March and another in July which were funded by the Environmental Trust Fund.

Household Hazardous Waste Day was held in April and was a huge success! More attended this year than ever before. Special thanks to Westmorland-Albert Solid Waste Commission who funded this event for us.

Our Annual Meeting was held in May and the following members were re-elected to the Executive: Chairperson - Wendy Alcorn; Vice-Chair - Brian Roulston; Secretary - Jim McCrea; and Treasurer - Tim Wilson. Our recipient for the Annual Bursary was John Finnamore.

The provincial government held meetings on their Solid Waste Discussion Paper in which the Commission attended and responded to the areas affecting us.

A hot-line was set up to help residents on their questions on the new two bag system. Many kiosks, meetings and seminars were held. Schools were visited and information packages, complete with related material, were handed out house to house in the area.

Westmorland-Albert Solid Waste Commission Manager Bill Slater and two of their representatives, Krista and Marc, were extremely helpful in the implementation of the two bag system. Many thanks for their long hours.

At this time I would like to thank all of the Commissioners for the hard work they have put in this past year. They have made my work easier and we all work well together. Our Executive Secretary, Ann Harper has again kept everything running smoothly. She is to be commended for her efficiency and dedication.

Respectfully submitted,

Wendy Alcorn,
Chairperson

May 31, 2001

ANNUAL REPORT

Sussex Waste Management Ltd. has completed its' sixth year of operations. Wet/Dry separation has resulted in many changes. We have hired another full time employee and have been working with the commission on expansion plans. Westmorland –Albert has been co-operating with us through the transition period.

Total tonnage for 2000/2001 was 10976.59 tonnes which represents an increase of 188.54 tonnes over 1999/2000.

The only change from Westmorland-Albert Solid Waste Corporation was the increase in their tipping fee of $.1.15 per tonne. This combined with our CPI adjustment of $ .54 made the tipping fee $66.15 per tonne for the year 2001.

Cleanup days are well advertised now and most residents are taking full advantage of the opportunity. Hazardous waste days also have a good turn out.

The Commission and Sussex Waste Management Ltd. continue to work well together and we again thank the Commission for their cooperation and support.

Respectfully submitted,

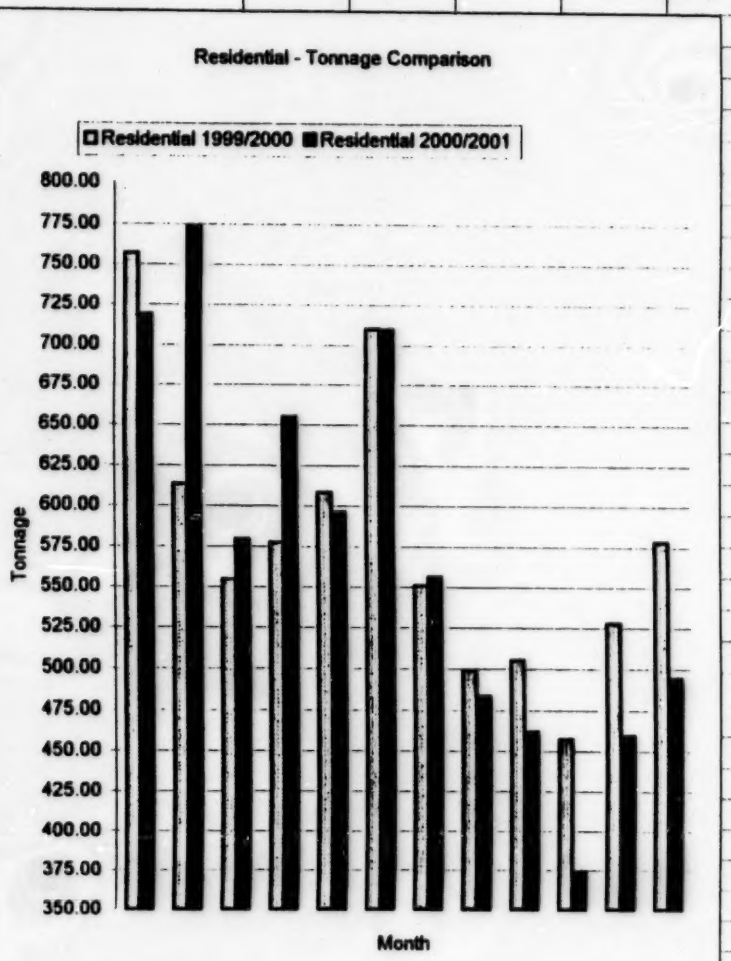
Ralph Cunningham – President
Sussex Waste Management Ltd.

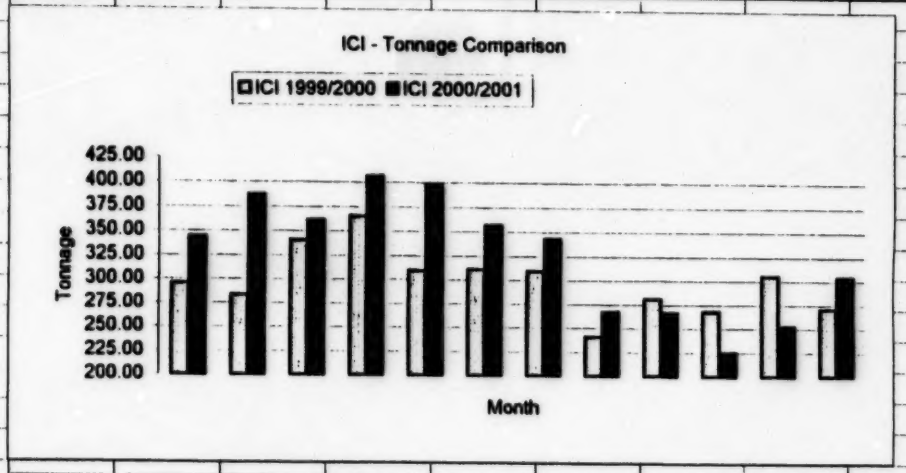
Sussex Waste Management Ltd.

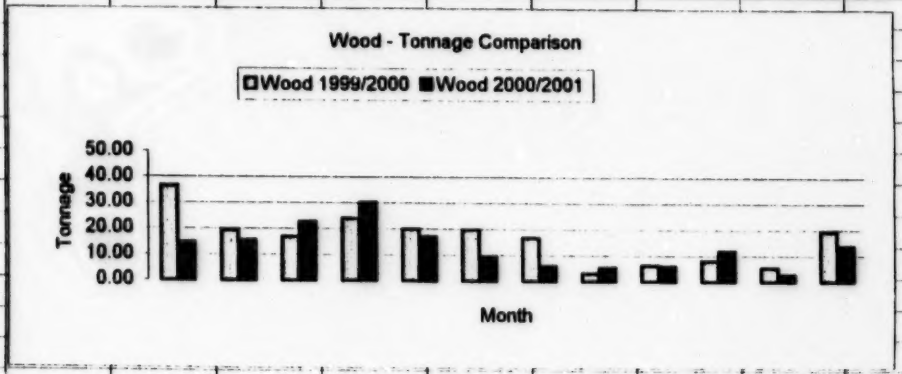
Annual Tonnage Report Table
May 1,2000 - April 30, 2001

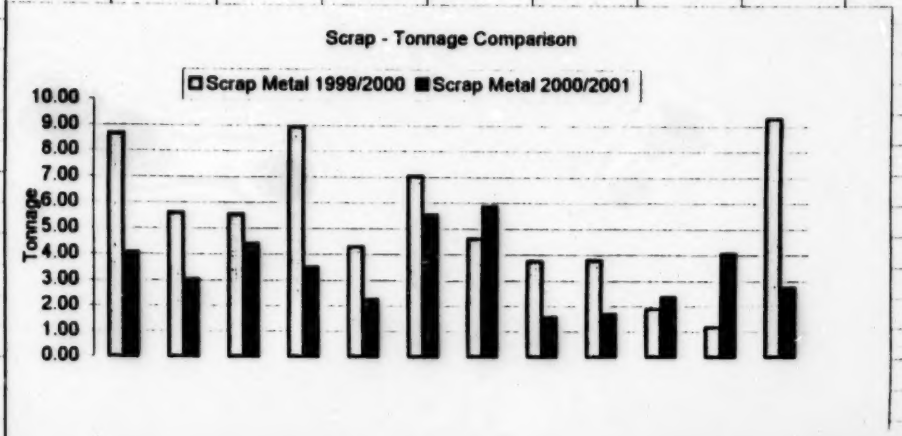
SWM Annual ReportTable.xls

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr		YTD
Residential 1999/2000	757.50	613.82	554.62	577.69	608.61	710.60	551.10	498.50	505.59	457.54	528.02	578.51		6943.10
Residential 2000/2001	719.15	773.48	579.60	655.29	596.37	709.76	556.48	483.54	462.29	374.17	459.68	494.41		6864.22
ICI 1999/2000	296.09	283.48	340.90	365.91	309.96	311.00	309.85	240.96	281.63	268.21	305.54	270.91		3584.44
ICI 2000/2001	344.38	387.55	361.72	406.67	398.41	357.12	343.76	267.42	266.75	224.63	252.76	304.80		3915.97
Wood 1999/2000	36.47	19.55	16.84	24.10	19.97	19.83	16.67	3.10	6.35	7.99	5.40	19.53		195.80
Wood 2000/2001	14.84	15.67	22.61	30.23	17.02	9.21	5.98	5.31	5.91	11.84	2.66	13.89		155.17
Scrap Metal 1999/2000	8.68	5.61	5.55	8.96	4.29	7.04	4.62	3.76	3.82	1.89	1.18	9.31		64.71
Scrap Metal 2000/2001	4.08	3.05	4.41	3.51	2.27	5.56	5.87	1.57	1.71	2.38	4.07	2.75		41.23


Residential - Tonnage Comparison
Residential 1999/2000
Residential 2000/2001
800.00
775.00
750.00
725.00
700.00
675.00
650.00
625.00
600.00
575.00
550.00
525.00
500.00
475.00
450.00
425.00
400.00
375.00
350.00
Tonnage
Month


ICI - Tonnage Comparison
ICI 1999/2000
ICI 2000/2001
425.00
400.00
375.00
350.00
325.00
300.00
275.00
250.00
225.00
200.00
Tonnage
Month


Wood - Tonnage Comparison
Wood 1999/2000
Wood 2000/2001
50.00
40.00
30.00
20.00
10.00
0.00
Tonnage
Month


Scrap - Tonnage Comparison
Scrap Metal 1999/2000
Scrap Metal 2000/2001
10.00
9.00
8.00
7.00
6.00
5.00
4.00
3.00
2.00
1.00
0.00
Tonnage

ANNUAL REPORT OF THE TREASURER - 2000

December 31, 2000 was the end of the fifth year for the Commission during which the Transfer Station was open and the benefits of negotiations and rules are continuing to be realized.

The budget for 2000 did not require funding for the year from our partners due to the volume rebates that were negotiated in the contract from Sussex Waste Management and HST rebates.

In June, I was re-elected Treasurer at the Annual Meeting.

In September, our budget for 2001 was approved and sent to all funding partners. Due to an increase in annual volume tonnage rebates from Sussex Waste Management, HST rebates and the fiscal prudence of the Commission, there will not be any funding required from our Partners again for this fiscal year. In 2001 quarterly financial statements will be provided to the Commission by our Executive Secretary in order that expenditures can be monitored in relation to the approved budget.

At this time I would like to thank Ann Harper, Executive Secretary for performing the bookkeeping duties, Patricia Allan and Allan Eisner of Allen & Eisner for their auditing proficiency and financial consulting expertise.

Respectfully submitted.

Tim Wilson,
Treasurer

KINGS COUNTY REGION SOLID WASTE COMMISSION

FINANCIAL STATEMENTS
(Audited)

DECEMBER 31, 2000

Allen & Eisner

Accounting & Management Group

P.O. Box 4608, 5 Gateway Street
Sussex, New Brunswick, CANADA E4E 5L8
Tel: (506) 433-4202 Fax: (506) 432-6569

KINGS COUNTY REGION SOLID WASTE COMMISSION

FINANCIAL STATEMENTS
(Audited)

DECEMBER 31, 2000

Allen & Eisner

Accounting & Management Group

KINGS COUNTY REGION SOLID WASTE COMMISSION

DECEMBER 31, 2000

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AUDITOR'S REPORT

To the Commissioners of
Kings County Region Solid Waste Commission

We have audited the balance sheet of Kings County Region Solid Waste Commission as at December 31, 2000 and the statements of receipts and disbursements and changes in financial position for the year then ended. These financial statements are the responsibility of the commissions's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the commission as at December 31, 2000 and the result of it's operations and the changes in it's financial position for the period then ended in accordance with generally accepted accounting principals.

Sussex, New Brunswick
March 20, 2001

ALLEN & EISNER
ACCOUNTING & MANAGEMENT GROUP
CERTIFIED GENERAL ACCOUNTANTS

KINGS COUNTY REGION SOLID WASTE COMMISSION
GENERAL CAPITAL FUND
BALANCE SHEET
(Audited)
AS AT DECEMBER 31, 2000

	2000	1999
ASSETS		
Capital Assets (Note 5)	$ 37,632	$ 38,059
SURPLUS		
Investment in Capital Assets (Page 4)	$ 37,632	$ 38,059

APPROVED ON BEHALF OF THE COMMISSION:

Director

Director

The accompanying notes are an integral part of these financial statements.
As referred to in our Audit Report dated March 20, 2001.

Allen & Eisner
Accounting & Management Group

KINGS COUNTY REGION SOLID WASTE COMMISSION
GENERAL CAPITAL FUND
STATEMENT OF SOURCE AND APPLICATION OF CAPITAL FINANCING
(Audited)
YEAR ENDED DECEMBER 31, 2000

	2000	1999
SOURCE		
General Revenue Fund	$ 266	$ 2,767
APPLICATION		
Capital Expenditure	$ 266	$ 2,767

The accompanying notes are an integral part of these financial statements.
As referred to in our Audit Report dated March 20, 2001.

Allen & Eisner
Accounting & Management Group

KINGS COUNTY REGION SOLID WASTE COMMISSION
GENERAL CAPITAL FUND
STATEMENT OF INVESTMENT IN CAPITAL ASSETS
(Audited)
YEAR ENDED DECEMBER 31, 2000

	2000	1999
Balance, Beginning of Year	$ 38,059	$ 35,292
Add:		
Contributions From:		
General Revenue Fund Capital Expenditures	266	2,767
Less:		
Disposal of Capital Assets	693	-
Balance, End of Year	$ 37,632	$ 38,059

The accompanying notes are an integral part of these financial statements.
As referred to in our Audit Report dated March 20. 2001.

Allen & Eisner
Accounting & Management Group

KINGS COUNTY REGION SOLID WASTE COMMISSION
GENERAL REVENUE FUND
BALANCE SHEET
(Audited)
AS AT DECEMBER 31, 2000

	2000	1999
ASSETS		
Current Assets		
Cash	$ 750	$ 1,949
Short Term Investments (Note 3)	40,692	15,179
Accounts Receivable (Notes 4 & 14)	18,383	29,178
Prepaids	1,980	1,980
	$ 61,805	$ 48,286
LIABILITIES AND SURPLUS		
Current Liabilities		
Accounts Payable and Accrued Liabilites	$ 22,368	$ 2,831
Surplus		
Balance, Beginning of Year	45,455	39,996
Add: Current Year Surplus	30,436	9,001
	75,891	48,997
Less: Surplus of Second Previous Year	36,454	3,542
	39,437	45,455
	$ 61,805	$ 48,286

APPROVED ON BEHALF OF THE COMMISSION:

Director

Director

The accompanying notes are an integral part of these financial statements.
As referred to in our Audit Report dated March 20, 2001.

Allen & Eisner
Accounting & Management Group

KINGS COUNTY REGION SOLID WASTE COMMISSION
GENERAL REVENUE FUND
STATEMENT OF RECEIPTS AND DISBURSEMENTS
(Audited)
YEAR ENDED DECEMBER 31, 2000

	2000 Budget	2000 Actual	1999 Actual
Receipts			
Tonnage Rebate (Note 14)	$ 26,602	$ 27,766	$ 27,468
HST Rebate	12,534	13,746	12,993
Surplus of Second Previous Year (Note 15)	36,454	36,454	3,542
Department of Environment	-	5,226	10,514
Management Fee	92,248	97,848	-
Other Income	-	1,277	285
	167,838	182,317	54,802
Disbursements			
Environmental Trust:			
Newsletter	-	-	2,045
Education	-	6,577	8,389
Other	-	-	80
	-	6,577	10,514
General:			
Business Services	4,500	5,260	3,790
Distribution of Management Fee	92,248	97,848	-
Travel & Mileage	1,800	2,929	2,184
Meals	550	410	621
To General Capital Fund	2,500	266	2,767
Telephone	800	1,180	922
Advertising	-	162	80
Postage, Supplies, Photocopies	700	549	791
Remuneration for Commissioners	5,000	9,310	6,765
Bank Charges	100	135	37
Accounting & Financial Consulting	5,600	4,177	4,424
Insurance	2,500	2,415	2,420
Legal	2,000	1,015	467
Education/Newsletter	13,128	-	7,372
Provincial Association Dues	1,000	627	1,000
Bursary	500	500	500
Public Meeting/Annual Report	1,000	816	882
Wet/Dry Program Implementation	32,912	17,580	-
Miscellaneous	1,000	125	265
	167,838	145,304	35,287
Total Disbursements	167,838	151,881	45,801
Surplus / (Deficit)	$ -	$ 30,436	$ 9,001

The accompanying notes are an integral part of these financial statements.
As referred to in our Audit Report dated March 20, 2001.

Allen & Eisner
Accounting & Management Group

1. Nature of Business

The commission was appointed by an Order In Council and operates under the Clean Environment Act. The commission oversees the operation of a solid waste transfer station for Kings County New Brunswick. The transfer station is operated by Sussex Waste Management Ltd.

2. Summary of Significant Accounting Policies

These financial statements have been prepared to conform in all material respects to the accounting principles prescribed for New Brunswick Municipalities by the Department of Municipalities, Culture and Housing.

(a) Capital Assets

Capital assets are recorded at cost. As the commission is governed under the Municipalities Act of the Province of New Brunswick, it does not record amortization on equipment.

3. Short Term Investments

GICs with the Royal Bank as follows:
Maturity Date June 14, 2001; Interest Rate 4.6%; $5,000.00; Accrued Interest $125.40
Maturity Date July 13, 2001; Interest Rate 4.6%; $10,000.00; Accrued Interest $214.25
Maturity Date September 18, 2001; Interest Rate 5.0%; $25,000.00;
Accrued Interest $352.74

4. Accounts Receivable

The balance of accounts receivable is made up as follows:

	2000	1999
HST Receivable	$ 15,989	$ 14,943
Monthly Tonnage Payments	2,394	2,234
Environmental Trust Grant	-	12,001
Accounts Receivable	$ 18,383	$ 29,178

5. Capital Assets

	Cost 2000	Cost 1999
Land	$ 28,340	$ 28,340
Equipment	2,440	2,867
Computer	6,520	6,520
Computer Software	332	332
	$ 37,632	$ 38,059

6. Contingent Liabilities

The agreement signed by the commission with Sussex Waste Management Ltd. states that in the event of certain conditions occurring, Sussex Waste Management Ltd. may elect to terminate the agreement and require compensation from the commission for the net capital costs of the Sussex Waste Transfer Station. This liability reduces by 5% for each year after 1995. The amount of the contingent liability as at December 31, 2000 is $655,316.

7. Long-Term Lease

The commission has leased its property to Sussex Waste Management Ltd. to enable them to construct and operate a waste transfer station. The property is leased for $1.00 per year for twenty years. The lease expires March 31, 2015.

8. Infrastructure Grant

The commission received an infrastructure grant from the New Brunswick Department of the Environment for 33 1/3 % of the capital costs associated with the construction of the transfer station. In total, $451,315 was received from the New Brunswick Department of Environment and $451,315 has been paid out to Sussex Waste Management Ltd. In exchange all capital assets covered by the infrastructure grant will be turned over to the Commission at the end of the contract with Sussex Waste Management Ltd.

9. Indemnification of Land Purchased From the Town of Sussex

The Town of Sussex has indemnified the commission for all liability for any environmental contamination which may exist on or within the land which may have occured or will occur from the Town's adjacent landfill site.

10. Westmorland Albert Agreement

The commission has signed an agreement with the Westmorland Albert Solid Waste Corporation outlining operations and fees. The commission has agreed to a guaranteed municipal tonnage amount of 6,400 tonnes.

11. Municipal Agreements

The commission has entered into agreements with the Villages of Sussex Corner and Norton, the New Brunswick Department of Municipalities, Culture and Housing and the Town of Sussex. The agreements set out the operations for the service and the billing of the service.

12. Sussex Waste Management Ltd. Agreement

During the year the commission negotiated an agreement with Sussex Waste Management Ltd. that sets out how municipal users will be charged for the service.

13. Base Annual Amount

A base annual amount is charged to each municipality on their share of the the total regional Tax Rate Denominator. The 2000 base annual amount is $323,406. This charge is invoiced monthly to Sussex Waste Management Ltd. who in turn invoices the municipalities and collects the fee.

14. Tonnage Rebates

Monthly Tonnage rebates to be received by Kings County Regional Solid Waste Commission, up to June 2001, are $2,394.03. This amount s calculated by Sussex Waste Management Ltd. based on actual tonnage received from May to April each year, with the payment period July to June. As at year end, rebates of $2,394.03, representing December were in Accounts Receivable.

15. Surplus of Second Previous Year

In the 1999 budget orignally submitted to the Province of New Brunswick the amount of $26,369.00 was reported as the Surplus on the Second Previous Year. The correct amount should have been $3,542.00 and this has been used for financial statement purposes.